



The Congressional Connector

Week of April 6 - 10, 2009

House Approves 2010 Budget

On April 2, the House of Representatives adopted a budget resolution for fiscal year 2010 by a vote of 233 to 196. The budget blueprint is the foundation of the policy agenda of President Obama and calls for an overhaul of the U.S. health care system, investments in clean energy, improves education, and tax fairness. It also cuts this year's \$1.8 trillion deficit by almost two-thirds by 2013. The House adopted the budget after debating and rejecting four other budget alternatives, including the Republican budget which would have frozen most non-military spending for five years while permanently extending the Bush Administration's tax cuts. The Republican budget failed on a vote of 137 to 322.

The House budget must now be reconciled with a similar budget adopted by the Senate. Once that is done, Congress is expected to begin work on health care legislation along with the other policies outlined in the budget resolution. For more information, click here: http://budget.house.gov/doc-library/FY2010/03.25.2009_Key_Features_Chairmans_Mark.pdf

Rep. Levin Reintroduces Bill on "Carried Interest" to Make Tax System More Fair

Rep. Sander Levin recently reintroduced legislation to tax "carried interest" compensation at the same ordinary income tax rates paid by other Americans. Currently, the managers of private investment partnerships are able to receive compensation for these services at the much lower capital gains tax rate rather than the ordinary income tax rate by virtue of their fund's partnership structure. "This is a basic issue of fairness," said Rep. Levin. "Fund managers are receiving compensation for managing their investors' money. They should not pay the 15% capital gains rate on their compensation when millions of other hard-working Americans, many of whose income is performance-based, pay ordinary rates of up to 35 percent. The President's budget recognizes that this is unfair. The House of Representatives has recognized that it is unfair, and this year I hope we can act to change the law." To read more, click here: http://www.house.gov/apps/list/press/mi12_levin/PR040309.shtml

Members Press for Additional Retooling Loans, Grants

Last week 30 Members of the House, led by Rep. Levin, wrote to the House Appropriations Committee requesting funding to help auto manufacturers and suppliers retool to produce advanced technology vehicles and their components. The letter read, in part: "This incentive program will make it more economically feasible for U.S. auto manufacturers and part suppliers to go forward with the retooling of their facilities by providing low-interest loans for the cost of retooling a manufacturing facility in the U.S. to produce advanced technology vehicles (such as hybrids, plug-in hybrids, electric vehicles, advanced direct injection diesels, and fuel cell vehicles) or their key components.... Investments in advanced technology vehicle facilities will create jobs for American workers by ensuring that the vehicles of the future are made in the United States, reduce our consumption of oil and move our country more quickly towards energy independence." To read the full letter, click here: http://www.house.gov/apps/list/press/mi12_levin/morenews/LT040109.shtml

Credit Card Holders' Bill of Rights Gains Support from House Lawmakers

Rep. Levin recently co-sponsored the Credit Cardholder's Bill of Rights. This legislation seeks to level the playing field by putting an end to unfair and abusive credit card practices that outrage so many American

families. “I hear from constituents every day who are struggling to make ends meet and they have the right to be able to understand their credit card accounts, control their credit, and manage their debt,” said Levin. The Credit Cardholder’s Bill of Rights allows cardholders to set hard credit limits and prevents companies from charging excessive “over-the-limit” fees. It also protects vulnerable consumers from high-fee subprime credit cards. Finally, this legislation ends shameful penalties for cardholders who pay on time, and prohibits card companies from knowingly issuing cards to vulnerable minors.